

MINUTES

MONTANA SENATE 59th LEGISLATURE - REGULAR SESSION

COMMITTEE ON ENERGY AND TELECOMMUNICATIONS

Call to Order: By **CHAIRMAN KEN TOOLE**, on January 4, 2005 at 3:00 P.M., in Room 317-C Capitol.

ROLL CALL

Members Present:

Sen. Ken Toole, Chairman (D)
Sen. Brent R. Cromley (D)
Sen. Aubyn Curtiss (R)
Sen. Jeff Essmann (R)
Sen. Dan Harrington (D)
Sen. Greg Lind (D)
Sen. Dan McGee (R)
Sen. Gary L. Perry (R)
Sen. Glenn Roush (D)
Sen. Carol Williams (D)

Members Excused: Sen. Dave Lewis (R)

Members Absent: None.

Staff Present: Casey Barrs, Legislative Branch
Annie Glover, Secretary

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: None.
Executive Action: None.

NOTE: Prior to the organizational section of the meeting, the committee members heard informational presentations. These presentations are recorded as exhibits.

{Tape: 1; Side: A}

Dr. Thomas Power summarized some of the main issues and questions that the Committee will face when hearing energy bills. He emphasized the need for the Committee Members to look at all dimensions of proposed legislation. These issues include fiscal, environmental, and business interests.

EXHIBIT(ens02a01)

{Tape: 1; Side: B}

SEN. HARRINGTON asked **Dr. Power** what his feeling was on the peak generating plant in Butte and the energy being used. **Dr. Power** replied that since loads vary hour by hour, every utility needs to have a load-following source of energy. Northwestern needs some way of following load, and Northwestern has as their top priority a resource that allow them to follow load. A gas-fire facility has that ability. **SEN. HARRINGTON** followed up by asking **Dr. Power** if that strategy was economically sound. He replied that he needed to steer clear of particular facilities due to complex contract language. The advantage of the Butte facility was that it was abandoned, so consumers received it at a discount. The disadvantage of the gas-fire facility is that natural gas prices are very high. **SEN. HARRINGTON** asked if more and more of these gasification plants will actually drive up the price. **Dr. Power** replied that the increase of these facilities has indisputably contributed to the rise in natural gas prices.

SEN. ESSMANN asked **Dr. Power** if the government should interfere with private companies like Northwestern, then shouldn't energy co-ops also be interfered with. **Dr. Power** responded by highlighting the fact that the legislature has honored the independence of co-ops. The co-ops are already publically managed utilities; there is already a mechanism for self-government and regulation in co-ops.

Kathy Hadley and Dale Horton of the National Center for Appropriate Technology presented information. They discussed the concerns with the Committee Members.

EXHIBIT(ens02a02)

EXHIBIT(ens02a03)

EXHIBIT(ens02a04)

[EXHIBIT](#)(ens02a05)

[EXHIBIT](#)(ens02a06)

[EXHIBIT](#)(ens02a07)

ADJOURNMENT

Adjournment: 5:00 P.M.

SEN. KEN TOOLE, Chairman

CLAUDIA JOHNSON, Secretary

KT/cj